

## **Establishing a Demand Driven Workforce Investment System**

To compete in today's global economy, businesses need a skilled workforce, and our District residents need increasingly higher levels of skills and knowledge. In the past, our workforce education and training programs were not aligned with the needs and job openings in our economy. The District of Columbia Workforce Investment Council's Strategic Plan seeks to change that by targeting education and training dollars to our High Growth Industries and their High Priority Occupations.

High Priority Occupations are defined as job categories that are in demand by employers, have higher skill needs, and are most likely to provide family sustaining/living wages. The DC WIC has developed a three step process to define High Priority Occupations:

- Step One – Industry Sector Analysis to identify the industry sectors that provide the highest potential for growth and could benefit most from strategic workforce training investments.
- Step Two – Occupational Data Analysis to create a baseline list of high demand, higher wage occupations within each of the targeted industry sectors using the best available labor force data.
- Step Three – Expert Input and Regional Factors to identify occupations that are likely to emerge based on economic development investment, new labor trends, or business demand, that are too new or regionally-specific to be identified by the data.

Step One was completed by the DC WIC through its District State of the Workforce Report. Steps Two and Three of this process will be undertaken annually to ensure that training investments keep pace with rapidly changing technology and labor market demands. Our public workforce investments will be focused on job categories identified as High Priority Occupations.

## **Step One – Industry Sector Analysis**

As part of the effort to better align workforce spending with the needs of our regional economy, the DC WIC identified seven high growth industries in the DC Metro area. The DC WIC incorporated the labor market data from the DC Department of Employment Services as well as similar sector analyses performed by the DC Public Schools and the DC Chamber of Commerce. The DC WIC will be finalizing its research in September 2005 with an sector by sector analysis of the various occupations within each of these high growth sectors. The DC WIC High Growth Industries consist of the following:

- **Health Care**
- **Business Services and Entrepreneurship (including Federal and local government)**
- **Hospitality and Tourism**
- **Information Technology**
- **Construction**
- **Transportation**
- **Retail**

## **Step Two – Occupational Data Analysis**

The next step is to align training and education with occupations that are in demand by employers, have higher skill needs, and are most likely to provide family sustaining/living wages. The goal of the process is to incorporate both the best available statistics and local input from workforce and economic developers. Combining hard data and expert knowledge will result in a more accurate picture of the District's and regions workforce needs than relying on either source alone.

The DC Department of Employment Services will prepare a baseline list of occupations using federal and state labor market data as well as projections based on U.S. Department of Labor models. This list has been further refined in Step Three to incorporate expert opinion and local information. Occupations are selected based on the following criteria:

Importance to the Sector was defined based on two factors. Occupations had account for at least one out of every 100 jobs in the sector ('significance') or at least one out of every five jobs in the occupation must be in the sector ('dominance').

The number of projected annual openings in the sector was set at:

- **100 openings within the sector**
- **Occupations requiring an Associate degree and/or a minimum of two years training/certification**
- **Job quality was defined based on wages at or above \$10.50 per hour (proposed living wage standard).**

## **WIC Top Priority High Demand Occupations**

<b>Demand Occupations</b>	<b>DC Openings</b>	<b>Regional Openings</b>	<b>Avg. Hr. Wage</b>	<b>Avg. Annual Wage</b>
Office Clerks, general	372	1659	\$13.22	\$27,500
Secretaries	291	929	\$17.69	\$36,790
Executive Secretaries and Administrative Assistant	279	1053	\$19.85	\$41,280
Receptionists and Information Clerks	262	1143	\$13.32	\$27,710
Legal Secretaries	206	505	\$24.45	\$50,860
Maintenance and Repair Worker	113	332	\$17.83	\$37,080
Licensed Practical and Licensed Vocational Nurses	58	481	\$21.22	\$44,130
Security Guards	380	1011	\$12.77	\$26,570
Truck Drivers – light or delivery		716	\$13.99	\$29,090
Automotive Technician or Mechanic		668	\$19.55	\$40,660
Medical Assistants		371	\$14.09	\$29,310
Computer Support Specialist	145	1,290	\$23.27	\$48,390
Physical Therapist Aides		371	\$14.09	\$29,310
Medical Records and Health Information Technicians	28	126	\$15.27	\$31,750
Dental Assistants		242	\$16.73	\$34,790
Dental Hygienists		141	\$33.95	\$70,610
Pharmacy Technicians		197	\$12.49	\$25,970
Physical Therapist Assistants		27	\$19.41	\$40,370

<b>Demand Occupations</b>	<b>DC Openings</b>	<b>Regional Openings</b>	<b>Avg. Hr. Wage</b>	<b>Avg. Annual Wage</b>
Security Guards	380	1011	\$12.77	\$26,570
Office Clerks, general	372	1659	\$13.22	\$27,500
Truck Drivers – light or delivery		716	\$13.99	\$29,090
Retail Salesperson	342	4062	\$11.25	\$23,410
Customer Service Representatives	195	1383	\$14.98	\$31,160
Laborers – Stock, Freight, Material	141	1252	\$11.72	\$24,370
Cooks, Restaurant	130	500	\$11.51	\$23,940
Nursing Aides, Orderlies, Attendants	59	655	\$11.49	\$23,900
Construction Laborers	64	569	\$13.45	\$27,970
Truck Driver – heavy and tractor-trailer		384	\$17.33	\$36,040
Physical Therapist Aides		46	\$10.84	\$22,550

Note: All of the Top Priority Demand Occupations are based on the DC and/or DC Metro area High Growth Industries at or above the proposed Living Wage of \$10.50 per hour.

### **Step Three – Expert Input and Regional Factors**

The third step is to refine the baseline list to incorporate input from workforce professionals including economic developers, business and labor leaders, workforce development professionals and educators to better understand demand for a specific workforce that cannot be captured by the data. Critical to this effort is the contact with regional partners consisting of business leaders, worker representatives and education experts who define immediate and anticipated training needs and human resource challenges.

It is critical that modifications to the baseline list do not undercut or contradict the strategic direction underlying the District's workforce reforms. Proposed additions to the Top Priority Occupation list must be supported by sound rationale and documented evidence of industry demand and must pay at or above the wage floor currently set at \$10.50 per hour. All additions to the Top Priority Occupation list are subject to approval by the DC WIC and the Mayor.